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# TRANSCRIPT OF RECORD

## Supreme Court of the United States

OCTOBER TERM, 1932

## No. 57

GENERAL ELECTRIC COMPANY AND CARBOLOY COMPANY, INC., PETITIONERS,

*vs.*

THE MARVEL RARE METALS COMPANY, THE OHIO INSTRUMENT MANUFACTURING COMPANY, CHARLES L. GEBAUER, ET AL.

ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SIXTH CIRCUIT

PETITION FOR CERTIORARI FILED MAY 7, 1932

CERTIORARI GRANTED MAY 31, 1932

(36,736)

# (36,736)

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INDEX


| | Original | Print |
|---|---|---|
| Record from district court of the United States, Northern Ohio | 1 | 1 |
| Caption (omitted in printing) | 1 | |
| Bill of complaint | 2 | 1 |
| Answer | 7 | 6 |
| Plaintiffs' motion to dismiss counterclaim | 15 | 14 |
| Defendants' motion to amend answer | 16 | 14 |
| Order dismissing counterclaim | 18 | 15 |
| Order granting defendants leave to amend their answer. | 18 | 16 |
| Defendants' Exhibit No. 1—Certified copy of U. S. letters patent No. 1,359,353, November 16, 1920, to Charles L. Gebauer for improvement in methods of producing formed metallic articles | 19 | 16 |
| Defendants' Exhibit No. 6—Letters patent No. 1,549,615, August 11, 1925, to Karl Schroter, assignor to General Electric Company | 23 | 21 |


JUDD & DETWEILER (INC.), PRINTERS, WASHINGTON, D. C., JULY 15, 1932

| | Original | Print |
|---|---|---|
| Defendants' Exhibit No. 7—Letters patent No. 1,721,416, July 16, 1929, to Karl Schroter, assignor to General Electric Company | 25 | 24 |
| Defendants' Exhibit No. 8—Reissue letters patent No. 17,624, March 18, 1930, to Karl Schroter, assignor to General Electric Company | 27 | 28 |
| Petition for appeal | 29 | 32 |
| Assignment of errors | 30 | 32 |
| Order allowing appeal | 31 | 33 |
| Bond on appeal (omitted in printing) | 31 | |
| Citation and service (omitted in printing) | 33 | |
| Præcipe for transcript | 35 | 34 |
| Order extending time for filing transcript of record in United States circuit court of appeals | 36 | 35 |
| Stipulation re certification of record | 36 | 35 |
| Certificate of clerk (omitted in printing) | 37 | |
| Proceedings in United States circuit court of appeals, sixth circuit | 39 | 35 |
| Motion to dismiss and notice | 39 | 35 |
| Protest against oral argument on motion to dismiss | 40 | 36 |
| Cause submitted on motion to dismiss | 41 | 37 |
| Decree | 41 | 37 |
| Opinion per curiam | 41 | 38 |
| Petition for rehearing | 43 | 39 |
| Order denying rehearing | 53 | 46 |
| Memorandum on petition for rehearing | 53 | 46 |
| Clerk's certificate (omitted in printing) | 54 | |
| Order allowing certiorari | 55 | 47 |

[fols. a-1] [Caption omitted]

[fol. 2]

## IN UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF OHIO, EASTERN DIVISION

BILL OF COMPLAINT—Filed May 22, 1931

To the Honorable the Judges of the United States District Court for the Northern District of Ohio, Eastern Division:

The plaintiffs herein complain of the defendants, and allege upon information and belief as follows:

1. Plaintiff General Electric Company is a corporation organized under the laws of the State of New York, having its principal office and place of business at Schenectady, New York; and plaintiff Carboloy Company, Inc. is a corporation organized under the laws of the State of New York, having its principal office and place of business at 6 East 45th Street, New York, New York.

2. Each of the defendants The Marvel Rare Metals Company and The Ohio Instrument Manufacturing Company is a corporation organized under the laws of the State of Ohio; each of the defendants Charles L. Gebauer and C. F. William Bates is a citizen of the State of Ohio and a resident of Cleveland, Ohio in the Northern District of Ohio, Eastern Division; and each of the four defendants above mentioned has a regular and established place of business at 9410 Union Avenue, Cleveland, Ohio, within the Northern District of Ohio, Eastern Division. Defendants Charles L. Gebauer and C. F. William Bates own or control each of the corporation defendants The Marvel Rare Metals Company and The Ohio Instrument Manufacturing Company, and have been and now are directing and dominating the actions of said corporation defendants, including the acts of infringement hereinafter alleged.

3. This is a suit arising under the patent laws of the United States; and each of the defendants has committed

the acts of infringement hereinafter alleged within the Northern District of Ohio, Eastern Division, and elsewhere.

4. One Karl Schröter, a resident of Lichtenberg, near Berlin, Germany, was the original and first inventor of certain new and useful improvements in Hard-Metal Composition, not known or used by others in this country or patented or described in any printed publication in this or any foreign country before his invention or discovery thereof or more than two years prior to his application for a patent therefor, not in public use or on sale in this country for [fol. 3] more than two years prior to his application for a patent therefor, not abandoned by him, and not first patented or caused to be patented by him or his legal representatives or assigns in any foreign country on any application therefor filed more than twelve months prior to the filing of his application for United States Letters Patent; and said Karl Schröter, being then a citizen of Germany, filed on April 26, 1926, in the United States Patent Office, in accordance with the laws of the United States then in force, an application for letters patent for said improvements and complied in all respects with the requirements of said laws. Thereafter said Karl Schröter assigned said application to the plaintiff General Electric Company, and under date of July 16, 1929 United States Letters Patent No. 1,721,416 were duly issued to the plaintiff General Electric Company on said application, as will appear from the certified copy thereof to be produced in court; and thereby there was secured to the plaintiff General Electric Company, its legal representatives and assigns, for the term of seventeen years from July 16, 1929, the exclusive right to make, use and vend the inventions described and claimed in said letters patent throughout the United States and the territories thereof.

5. One Karl Schröter, a resident of Lichtenberg, near Berlin, Germany, was the original and first inventor of certain new and useful improvements in Hard-Metal Alloys and the Process of Making Same, not known or used by others in this country or patented or described in any printed publication in this or any foreign country before his invention or discovery thereof or more than two years prior to his application for a patent therefor, not in public use or

on sale in this country for more than two years prior to his application for a patent therefor, not abandoned by him, and not first patented or caused to be patented by him or his legal representatives or assigns in any foreign country on any application therefor filed more than twelve months prior to the filing of his application for United States Letters Patent; and said Karl Schröter, being then a citizen of Germany, filed on October 31, 1923, in the United States Patent Office, in accordance with the laws of the United States then in force, an application for letters patent for said improvements and complied in all respects with the requirements of said laws. The said application having [fol. 4] been assigned to the plaintiff General Electric Company, United States Letters Patent No. 1,549,615 were duly issued thereon to the plaintiff General Electric Company under date of August 11, 1925, as will appear from the certified copy thereof to be produced in court; and thereby there was secured to the plaintiff General Electric Company, its legal representatives and assigns, for the term of seventeen years from August 11, 1925, the exclusive right to make, use and vend the inventions described and claimed in said letters patent throughout the United States and the territories thereof.

6. On July 22, 1929 said Karl Schröter, being then a resident of Lichtenberg, near Berlin, Germany, and a citizen of Germany, filed in the United States Patent Office in accordance with the laws of the United States then in force, and with the assent of the plaintiff General Electric Company, an application for surrender of said letters patent No. 1,549,615 and re-issuance to the plaintiff General Electric Company of letters patent for the same invention upon an amended specification annexed to said application; and under date of March 18, 1930 United States Letters Patent No. Re. 17,624 were duly issued to the plaintiff General Electric Company on said application, as will appear from the certified copy thereof to be produced in court; and thereby there was secured to the plaintiff General Electric Company, its legal representatives and assigns, for the unexpired portion of the term of seventeen years from August 11, 1925, the exclusive right to make, use and vend the inventions described and claimed in said letters patent throughout the United States and the territories thereof.

7. Plaintiff Carboloy Company, Inc. has the exclusive license to make, use and sell the inventions covered by said letters patent Nos. 1,721,416, 1,549,615 and Re. 17,624 or any of them, throughout the United States and the territories thereof, subject to certain reservations made and rights retained by the plaintiff General Electric Company.

8. The inventions patented by said letters patent Nos. 1,721,416, 1,549,615 and Re. 17,624 are of great value and utility, and plaintiffs are entitled to maintain this suit and to receive all recoveries on account of any and all infringements of any of said patents. Plaintiff Carboloy Company, [fol. 5] Inc. is engaged in the business of manufacturing and selling tools and parts thereof embodying the inventions of each of said letters patent.

9. Since the dates of issuance of said letters patent Nos. 1,721,416, 1,549,615 and Re. 17,624 and within six years last past, within the Northern District of Ohio, Eastern Division, and elsewhere within the United States, each of the defendants has infringed said letters patent Nos. 1,721,-416, 1,549,615 and Re. 17,624 and each of them, and now is infringing said letters Patent Nos. 1,721,416 and Re. 17,624 and each of them, with full knowledge of plaintiffs' rights in the premises, without the license of plaintiffs or either of them and in violation of plaintiffs' rights, by making or causing to be made, using or causing to be used, or selling or causing to be sold tools and parts thereof containing or embodying the inventions of each of said letters patent.

10. Plaintiffs have marked products of their manufacture patented as aforesaid with the word "Patented" and the dates or numbers of said letters patent, in accordance with the provisions of Section 4900 of the Revised Statutes of the United States; and each of the defendants has been duly notified of plaintiffs' rights under each of said letters patent and of the infringement thereof by the defendant named in the notice, and has been requested to desist from such infringement; but has refused to agree to do so, and has since continued, is now continuing, and threatens to continue such infringement.

11. As the result of said infringement, each of the defendants has received gains, profits and advantages to

which plaintiffs are rightfully entitled; has prevented, is preventing, and unless restrained will continue to prevent plaintiffs from enjoying the exclusive rights secured to them by said letters patent; and has caused, is causing and unless restrained will continue to cause plaintiffs to suffer irreparable damage, for which plaintiffs have no adequate remedy at law.

Wherefore the plaintiffs pray as follows:

1. That a writ of subpœna ad respondendum may be issued directed to each of the defendants, commanding each of the defendants to appear and answer this bill of complaint, but not under oath, an answer under oath being waived.

2. That each of the defendants, and its or his agents and employees and each of them, may be enjoined and re- [fol. 6] strained from infringing said letters patent or any of them.

3. That each of the defendants may be ordered to account for the profits, gains and savings realized by it or him, and for the damages suffered by plaintiffs, by reason of infringement of said letters patent or any of them.

4. That plaintiffs may recover from the defendants said profits, gains, savings and damages, together with their costs herein.

5. That plaintiffs may have such other or further relief as may be just.

General Electric Company, by Darius E. Peck, Vice-President. Carboloy Company, Inc., by P. R. Mallory, President. Squire, Sanders & Dempsey, Solicitors for Plaintiff-. Charles E. Tullar, Watson, Bristol, Johnson & Leavenworth, of Counsel for Plaintiff-.

*Duly sworn to by P. R. Mallory. Jurat omitted in printing.*

[fol. 7] IN UNITED STATES DISTRICT COURT

ANSWER—Filed June 11, 1931

To the Honorable the Judges of the United States District Court for the Northern District of Ohio, Eastern Division:

Now come the defendants and for answer to the Bill of Complaint do say:

1. Defendants admit the existence of General Electric Company and of Carboloy Company, Inc., and understand them to be corporations, but have no knowledge as to the particulars of their incorporation or the States wherein they were organized.

2. The Marvel Rare Metals Company, defendant, and The Ohio Instrument Manufacturing Company, defendant, are corporations of Ohio; Charles L. Gebauer, defendant, and C. F. William Bates, defendant, are citizens of the State of Ohio and residents of Cleveland, Ohio, in the Northern District of Ohio, Eastern Division; none of the defendants has any place of business at 9410 Union Avenue, Cleveland, Ohio, but The Marvel Rare Metals Company and The Ohio Instrument Manufacturing Company have a place of business at 9410 St. Catherine Street, Cleveland, Ohio, which is within the Northern District of Ohio, Eastern Division. Defendants, Charles L. Gebauer and C. F. William Bates, own and control a large part of the capital stock of each of the said defendant corporations and have been and now are largely in control of the acts of the said defendant corporations, as officers and directors thereof, but the actions of neither of said defendant corporations nor of said individual defendants include any acts of infringement.

3. Defendants admit that this is a suit arising under the laws of the United States, but deny that any of the defendants has committed any acts of infrigement either within the Northern District of Ohio, Eastern Division, or elsewhere.

4. The defendants admit the issue of United States Letters Patent 1,721,416, under date of July 16, 1929; they have no knowledge of Karl Schröter or his residence or

citizenship or patent application or any assignment thereof; and they deny all the remainder of paragraph 4 of the Bill of Complaint.

[fol. 8] 5. The defendants admit the issue of United States Letters Patent No. 1,549,615, under date of August 11, 1925; they have no knowledge of Karl Schröter or his residence or citizenship or patent application or any assignment thereof; and they deny all the remainder of paragraph 5 of the Bill of Complaint.

6. Defendants admit the issue of Reissue United States Letters Patent No. 17,624 under date of March 8, 1930; they have no knowledge of Karl Schröter or his residence at that time or any assent of the plaintiff, General Electric Company, or whether the said Letters Patent are for the same invention; and they deny that the same were lawfully or properly granted or have any legal effect.

7. Defendants have no knowledge of the matters and things asserted in paragraph 7 of the Bill of Complaint.

8. Defendants admit that Carboloy Company, Inc., plaintiff, is engaged in the business of manufacturing and selling tools and parts thereof in the manner and according to the processes and compositions of matter set forth in Plaintiffs' Letters Patent, Nos. 1,549,615, 1,721,416, and Reissue 17,624, but deny that any invention is set forth in any one of said Letters Patent, or that any of said processes or compositions of matter or tools or parts thereof is or are new or novel, and denies that said Letters Patent are of any value or utility or that plaintiffs are entitled to maintain this suit or to receive any recoveries.

9. Defendants deny that they have at any time infringed any of said Letters Patent Nos. 1,721,416, 1,549,615, or Reissue 17,624.

10. Defendants have no knowledge as to whether plaintiffs have ever marked the products of their manufacture "patented" or otherwise; they admit the receipt of notification of plaintiffs' pretended rights, but have never in the past infringed any valid rights of the plaintiffs nor do they expect to do so in the future.

11. Defendants deny each and every allegation contained in paragraph 11 of the Bill of Complaint.

12. Defendants say that whatever manufacture they have been doing in the past of anything similar in any respect to anything described or claimed in the plaintiffs' Letters [fol. 9] Patent mentioned in the Bill of Complaint has been carried on by them in exact accordance with the specification and claims by some one or more of the following Letters Patent of Charles L. Gebauer, defendant, viz:

1,223,322, granted April 17, 1917;
1,342,801, granted June 8, 1920;
1,346,192, granted July 3, 1920;
1,359,353, granted Nov. 16, 1920;
1,395,269, granted Nov. 1, 1921;

and the defendants aver that they were perfectly justified in so doing, and that nothing contained in any pretended Letters Patent secured by these plaintiffs as a result of patent applications not filed in the United States Patent Office until more than four years subsequent to the grant of the latest of the defendants' said Letters Patent is sufficient in law or equity or good conscience to impede defendants in using their own Letters Patent.

13. Upon information and belief defendants say that the said Schröter patents Nos. 1,721,416, 1,549,615 and Reissue 17,624, are completely invalid and void for the reason that the alleged invention thereof, and all material and substantial parts thereof, was fully set forth and described in and by the following United States Letters Patent, viz:

Charles L. Gebauer, 1,223,322, April 17, 1917;
Charles L. Gebauer, 1,342,801, June 8, 1920;
Charles L. Gebauer, 1,346,192, July 13, 1920;
Charles L. Gebauer, 1,359,353, Nov. 16, 1920;
Charles L. Gebauer, 1,395,269, Nov. 1, 1921.

14. Upon information and belief defendants say that none of the said Gebauer Letters Patent Nos. 1,223,322, 1,342,801, 1,346,192, 1,359,353, or 1,395,269 was discovered nor cited by the Examiner in the prosecution of any of said Schröter Letters Patent, wherefore said Schröter Letters Patent, Nos. 1,721,416, 1,549,615, and Reissue 17,624, were inadvertently and improvidently granted and are utterly void

and of no effect; as by reference to the certified copies of said Gebauer Letters Patent and to the certified copies of the file wrapper contents and drawings of each of said Schröter Letters Patent ready here in court to be produced will more fully and at large appear.

15. Defendants further say that the alleged invention of each of said Schröter Letters Patent Nos. 1,721,416, 1,549,- [fol. 10] 615, and Reissue 17,624, and all material and substantial parts hereof was well known and in public use in the United States prior to the introduction of Schröter's pretended inventions into the United States and more than two years prior to the filing dates of Schröter's said Letters Patent by these defendants at 9410 St. Catherine Street, Cleveland, Ohio, who have employed the same uninterruptedly ever since, to-wit: 1917.

16. Upon information and belief defendants say that in view of the state of the art as it existed at and prior to the date of the application for the said Schröter Letters Patents, 1,721,416, 1,549,615, and Reissue 17,624, and prior to Schröter's introduction of his pretended invention into the United States, said Letters Patent are invalid for want of invention, and that said Letters Patent are so limited and restricted that they cannot be law fully construed to cover any devices manufactured or sold by any of the defendants or any processes employed by any of the defendants.

17. Upon information and belief defendants say that the description in the specifications of the said Schröter's Letters Patent 1,721,416, 1,549,615 and Reissue 17,624, is not in such clear, full, and exact terms as to specify any distinction or patentability therein as compared with the Letters Patent of Charles L. Gebauer hereinbefore identified or such as to enable any person skilled in the art to make, construct, and use the subject-matter of said Schröter's Letters Patent as distinguished from the subject-matter of said Gebauer Letters Patent, and that the claims of said Schröter's patents, are ambiguous and uncertain.

## Counterclaim

18. Defendants state that prior to October 16, 1918, Charles L. Gebauer, of Cleveland, Ohio, was the original, true, first, and sole inventor of certain improvements relating to Methods of Producing Formed Metal Articles, described and claimed in United States Letters Patent No. 1,359,353, which were not known or used by others in the United States before his invention or discovery thereof, nor patented nor described in any printed publication in the United States or any foreign country before his invention or discovery thereof, nor more than two years prior to his application for a patent therefor, and which was not in [fol. 11] public use or on sale in the United States for more than two years prior to his application for a patent therefor, and not abandoned by him, and not first patented or caused to be patented by him or his legal representatives or assigns in any foreign country on any application therefor, filed more than twelve months prior to the filing of his application for United States Letters Patent; and said Charles L. Gebauer did file on October 16, 1918, in the United States Patent Office in accordance with the laws of the United States then in force, an application for Letters Patent for said improvements in Method of Producing Formed Metal Articles and complied in all respects with the requirements of said laws, whereupon, upon due examination made, the said Charles L. Gebauer was adjudged to be justly entitled to a patent under the law and Letters Patent of the United States No. 1,359,353, signed, sealed, delivered, and executed in due form of law, were granted and delivered unto said Charles L. Gebauer upon the 16th day of November, 1920, whereby there was secured to said Charles L. Gebauer, his heirs and assigns for the term of seventeen years from the 16th day of November, 1920, the exclusive right to make, use, and vend the said invention throughout the United States and territories thereof, a description of which invention was contained in the specification of which a copy was annexed to and made a part of said Letters Patent No. 1,359,353; and the defendant herewith makes profert of the original or a duly certified copy of the said Letters Patent No. 1,359,353, ready here in Court to be produced.

19. Defendants further state that said Letters Patent have never been assigned or transferred by the said Charles L. Gebauer, but are still held by said Charles L. Gebauer subject only to an exclusive oral license from Charles L. Gebauer unto The Marvel Rare Metals Company, defendant, and The Ohio Instrument Manufacturing Company, defendant, under which exclusive oral license defendants have been operating ever since the grant of said Letters Patent.

20. Defendants further state that they have been to trouble and expense in and to developing and marketing the metallic articles manufactured by them according to the method described and claimed in said Letters Patent No. 1,359,353, and that the said articles began to come into exclusive and limited commercial use to the great ad- [fol. 12] vantage of the public and to these defendants, and that the public generally acquiesced in said Letters Patent No. 1,359,353, and that defendants would now be in complete enjoyment of the fruits of their industry and the advantages of their Letters Patent excepting for the actions of the plaintiffs who have maliciously and unwarrantedly asserted and pretended to defendants prospective customers that they, and not the defendants, were the true patentees and that because of said Schröter's alleged patents Nos. 1,721,416, 1,549,615, and Reissue 17,624, the defendants might not manufacture or sell articles under their own Letters Patent No. 1,359,353 and that purchasers of defendants' articles made by defendants under said Letters Patent No. 1,359,353 would be in danger of suit by the plaintiffs under their pretended Schröter patents Nos. 1,721,416, 1,549,615 and Reissue 17,624, whereby the defendants' market was grievously impaired and restricted, and defendants became unable to sell their product, and were deprived of profits which they might and otherwise would have received but for the unlawful acts of the plaintiffs.

21. The plaintiffs have been duly notified of the defendants' rights under said Letters Patent 1,359,353, and of the fact that the plaintiffs' manufacture and sale under its pretended Schröter patent constitutes an infringement of said Letters Patent No. 1,359,353, and that the threatening and intimidating acts and assertions of the plaintiffs

based upon said alleged Schröter patents were injuring the defendants' lawful market, to all of which the plaintiffs paid no heed.

22. As a result of the plaintiffs' said unlawful acts, each of the plaintiffs has received gains, profits, and advantages to which the defendants are lawfully entitled, and the defendants have been prevented from making lawful sales of articles made according to the process of their own Letters Patent, No. 1,359,353, to the great damage and injury of the defendants; and great and irreparable injury has been caused to the defendants and unless restrained will continue to be caused to these defendants, for which injury defendants have no adequate remedy at law.

Wherefore the Defendants Pray:

23. That General Electric Company, plaintiff, and Carboloy Company, Inc., plaintiff, each for itself and not one [fol. 13] for the other, be required to make full, true, direct and perfect answer unto this Counterclaim.

24. That United States Letters Patent of Charles L. Gebauer, No. 1,359,353, may be decreed to be good and valid in law and the property of Charles L. Gebauer, defendant, subject to license in and to The Marvel Rare Metals Company, defendant, and The Ohio Instrument Manufacturing Company, defendant; and that the plaintiffs' manufacture and sale of tools and parts thereof in accordance with the Schröter Letters Patent constitutes an infringement of said Gebauer Letters Patent No. 1,359,353.

25. That an injunction be issued, directed to General Electric Company, defendant, and to Carboloy Company, Inc., defendant, and their respective officers, directors, attorneys, agents, dealers, servants, representatives, workmen, clerks, employees, salesmen, subsidiaries, and privies, and all others acting by or under their direction or authority and those in concert or participating with them from using, employing, or performing within the United States or its territories any process similar to or conflicting with that set forth and patented in and by said Gebauer Letters Patent, No. 1,359,353; or from making any assertion or representation in any manner within the United States or its territories that any process set forth in said Gebauer Patent, No. 1,359,353 constitutes in any respect an infringement of any Letters Patent owned by either plain-

tiff; or from making any threat or representation against any one of these defendants or any past or future customer of defendants, actual or potential that any tool or die or other metallic article made by the process set forth and claimed in said Gebauer Letters Patent is an infringement of said Schröter Patents or any of them; or that said Schröter Patents are valid or of any legal effect.

26. That this cause may be referred to a master with orders to ascertain and report the profits, gains and advantages received and realized by Carboloy Company, Inc., plaintiff, as a result of its use of processes in infringement of said Gebauer Letters Patent, No. 1,359,353, and by General Electric Company, plaintiff, as license fee for the use of processes by Carboloy Company, Inc., defendant, in infringement of said Gebauer Letters Patent, No. 1,359,353; together with all damages occasioned to the defendants or any of them by reason either of the actual use of processes [fol. 14] infringing said Letters Patent No. 1,359,353, or by any loss of profits or loss of sales caused in whole or part by any assertion on the part of either plaintiff or any officer, agent, salesman, dealer, distributor, or representative of either plaintiff, to the effect that any part, tool, die or other article, sold or offered for sale by any defendant constituted an infringement of any of the Schröter Patents in suit; and that defendants may have judgment against plaintiffs for the sums so found.

27. That defendants may recover their costs and may have such other further and/or different relief as may be just and that the plaintiffs' bill may be dismissed.

The Marvel Rare Metals Company, by Charles L. Gebauer, President. The Ohio Instrument Manufacturing Company, by C. F. William Bates, President. Smith & Freeman, Solicitors for Defendant. Harold Elno Smith, of Counsel for Defendant. Charles L. Gebauer, C. F. William Bates.

*Duly sworn to by Charles L. Gebauer and C. F. W. Bates. Jurats omitted in printing.*

[fol. 15] Service acknowledged and receipt of copy of this paper and attached — this 11th day of June, 1931.

Squire, Sanders & Dempsey, per J. H. M., Attorneys for Pltff.

IN UNITED STATES DISTRICT COURT

PLAINTIFFS' MOTION TO DISMISS COUNTERCLAIM—Filed June 29, 1931

To the Honorable the Judges of the District Court of the United States for the Northern District of Ohio, Eastern Division:

Now come the plaintiffs, General Electric Company and Carboloy Company, Inc., by their attorneys, and move that the counterclaim set up in the defendants' Answer in the above entitled cause be dismissed on the grounds (1) that this court has no jurisdiction thereof, (2) that there is a misjoinder of parties in said counterclaim, and (3) that the [fol. 16] said counterclaim does not set forth facts sufficient to constitute a valid cause of action or a counterclaim in equity against these plaintiffs.

Plaintiffs further move that their time for replying to the counterclaim set up in defendants' Answer be extended until twenty days after the hearing and determination of this motion to dismiss said counterclaim, and for such other relief as to the court may seem just and proper.

A copy of above motion mailed June —, 1931 to attorneys for cross petitioners.

General Electric Company and Carboloy Company, Inc., Plaintiffs. Squire, Sanders & Dempsey, by Squire, Sanders & Dempsey, Their Attorneys.

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IN UNITED STATES DISTRICT COURT

DEFENDANTS' MOTION TO AMEND ANSWER—Filed July 21, 1931

Now come the defendants and move to amend their Answer by the insertion of the following between paragraphs numbered 20 and 21 of this said Answer:

20a. Since the date of issue of said Gebauer Letters Patent 1,359,353, and within six years last past and prior to the filing of this counterclaim, within the United States of America, each of the plaintiffs has infringed said Gebauer

Letters Patent 1,359,353, and now is infringing the said Gebauer Letters Patent 1,359,353, with full knowledge of the defendants' rights in the premises, without the license of defendants or either of them and in violation of defend-
[fol. 17] ants' rights, by using, performing and employing and causing others to use, perform and employ the process set forth in said Gebauer Letters Patent No. 1,359,353, and selling or causing to be sold the product of said process, and threatening to continue so to do to the great damage and injury of these defendants.

Harold Elno Smith, Attorney for Defendants.

STATE OF OHIO,
County of Cuyahoga, ss:

Harold Elno Smith being first duly sworn deposes and says: the defendants' answer and counterclaim as originally prepared contained a clause directly charging infringement. I know this because I prepared it. Subsequently however, in order to cure some errors of statement in the answer and counterclaim the same was wholly rewritten, and I find to my chagrin that in the transcription this paragraph was omitted; the excuse being that the work had to be done hurriedly since the suit was not brought to my attention until very shortly before the time when the answer was due to be filed. I examined the answer and counterclaim after it was so transcribed and before it was filed, but did not observe this omission until it was brought to my attention by the plaintiffs' Motion to Dismiss.

Harold Elno Smith.

Subscribed and sworn to before me this 15th day of July, 1931. Frieda M. Bloede, Notary Public. (Seal.)

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[fol. 18] IN UNITED STATES DISTRICT COURT

ORDER DISMISSING COUNTERCLAIM—Entered September 9, 1931, by Paul Jones, Judge

This day this cause came on to be heard on the motion of plaintiffs to dismiss counterclaim, and was submitted to the Court; on consideration thereof the Court sustained

said motion, and it is ordered by the Court that the counterclaim set up in the defendants' answer herein be and the same is hereby dismissed.

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IN UNITED STATES DISTRICT COURT

ORDER GRANTING DEFENDANTS LEAVE TO AMEND THEIR ANSWER—Entered September 9, 1931, by Paul Jones, Judge

This day this cause came on to be heard on the motion of defendants to amend their answer herein, and was submitted to the Court; on consideration thereof the Court granted defendants leave to amend their answer as requested in said motion.

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[fol. 19] DEFENDANT'S EXHIBIT No. 1

Certified Copy of U. S. Letters Patent No. 1,359,353, Nov. 16, 1920, to Charles L. Gebauer for Improvement in Methods of Producing Formed Metallic Articles—Filed July 21, 1931

390

Department of Commerce, United States Patent Office

To all persons to whom these presents shall come, Greeting:

This is to certify that the annexed is a true copy from the records of this office of the Letters Patent of Charles L. Gebauer, Number 1,359,353, Granted November 16, 1920, for Improvement in Methods of Producing Formed Metallic Articles.

In Testimony Whereof I have hereunto set my hand and caused the seal of the Patent Office to be affixed, at the City of Washington, this twenty-fourth day of June, in the year of our Lord one thousand nine hundred and thirty-one and of the Independence of the United States of America the one hundred and fifty-fifth.

Thomas E. Robertson, Commissioner of Patents.

Attest: D. E. Wilson, Chief of Division. (Seal.)

No. 1,359,353

The United States of America to all to whom these presents shall come:

Whereas Charles L. Gebauer, of Cleveland, Ohio, has presented to the Commissioner of Patents a petition praying for the grant of Letters Patent for an alleged new and useful improvement in Methods of Producing Formed Metallic Articles, a description of which invention is contained in the specification of which a copy is hereunto annexed and made a part hereof, and has complied with the various requirements of Law in such cases made and provided, and

[fol. 20] Whereas upon due examination made the said Claimant is adjudged to be justly entitled to a patent under the Law.

Now, therefore, these Letters Patent are to grant unto the said Charles L. Gebauer, his heirs or assigns for the term of Seventeen years from the sixteenth day of November, one thousand nine hundred and twenty, the exclusive right to make, use and vend the said invention throughout the United States and the Territories thereof.

In testimony whereof I have hereunto set my hand and caused the seal of the Patent Office to be affixed in the District of Columbia this sixteenth day of November, in the year of our Lord one thousand nine hundred and twenty, and of the Independence of the United States of America the one hundred and forty-fifth.

M. H. Coulston, Acting Commissioner of Patents.
(Seal.)

[fol. 21] United States Patent Office

Charles L. Gebauer, of Cleveland, Ohio

Method of Producing Formed Metallic Articles

1,359,353. Specification of Letters Patent. Patented Nov. 16, 1920

No drawing. Application filed October 16, 1918. Serial No. 258,402

To all whom it may concern:

Be it known that I, Charles L. Gebauer, a citizen of the United States, residing at Cleveland, in the county of

Cuyahoga and State of Ohio, have invented a certain new and useful Improvement in Methods of Producing Formed Metallic Articles, of which the following is a full, clear, and exact description.

This invention relates to a method of forming metallic articles and has for its objects the provision of a new method whereby the production of certain classes of articles out of known, common, and fusible metals can be facilitated, and whereby articles of use can be made out of metallic substances which hitherto could be worked by no known method.

The essence of my invention consists in this that the metal in finely divided condition is compacted by great pressure into the substantial or exact size and shape of the article desired, after which it is brought to an elevated temperature less than its melting point and maintained at that temperature for a considerable time. As a result of this treatment the particles cohere together in a solid, rigid, integral, homogeneous whole, which whole bears the finished shape and size without necessity of machining or forming operations. Furthermore articles made in this way are generally more dense than if made by casting processes, while several metals can be treated thus which from their infusibility can not be cast or from their hardness can not be machined after casting.

In my former Patent No. 1,223,322 granted April 17, 1917 and in my former applications Nos. 113,313 and 169,176, filed Aug. 5, 1916, and May 17, 1917, respectively I have described articles made by compacting together two or more distinct metals of different fusing points and heating the same to a temperature intermediate their several fusing points, which I formerly supposed was essential to success, but I have discovered that a solid rigid homogeneous article can be produced by compacting to the desired shape either a finely divided single metal or finely divided mixture of metals and by suitably heat treating the same at a temperature less than that of fusion of the single metal in the first case or less than that of any of the metals in the second case.

This invention is of use for a great many purposes in the arts and sciences: for example in the construction of electrodes for vacuum tubes; in the production of all manner of tungsten or molybdenum articles for electrical, chemical, mechanical or metallurgical uses; for the manufacture of

dies, bearings, small parts, intricate patterns, etc., in iron, nickel, chromium, vanadium, titanium, or the alloys of same or like metals; or in mixtures of titanium, vanadium, chromium, molybdenum, tungsten, manganese, iron, cobalt, nickel and the like as in making compound substances for special purposes to take the place of the expensive casting, forging, and machining.

As one example of my improved process and of an article made therefrom I may make a valve part out of iron reduced by hydrogen, compressed hydraulically to the shape desired under a pressure of, e. g. 2,000 pounds per square inch, and raised to a dull red heat (e. g. 800° C.) and maintained at that temperature for about one hour.

As another example I make puppet valves for internal combustion engines by compacting iron, nickel, tungsten and chromium into a mold under a pressure of 4,000 pounds per square inch and afterward maintaining the same at a temperature of about 1200° C. for about half an hour.

As another example of my improved method I make tools and dies by compacting into a suitable mold a mixture of iron, molybdenum and chromium under a pressure of 1,000 pounds per square inch and thereafter heating the same for about one hour to a temperature of about 1200° C. In each of the above cases I preferably employ a preponderance of iron with about 10% of chromium, the balance consisting of the remaining ingredients named.

If the mixture be first compacted under sufficient pressure I find that little or no change in shape or size will take place during the succeeding heat treatment. My invention is characterized by compacting together the pure metals in finely divided form to the ultimate shape required and subsequently treating them to a temperature greater than their critical temperature but less than the melting point of any of them. By critical temperature I mean the lowest temperature at which molecular rearrangement of the material becomes possible.

This temperature varies very greatly for different substances, as is well known, wherefore no fixed minimum tem- [fol. 22] perature can be given. Thus in gold and lead molecular rearrangement will take place at ordinary temperatures, in hardened steel this action will occur at the temperature of boiling water though slowly, and in the case of

tungsten the minimum critical temperature appears to be at least 1000° C. The time required becomes less as the temperatuure approaches the melting point of the substance, and increases with the mass of substance treated. The process herein set forth is applicable either to homogeneous masses of a single metal or to mixtures of metals whose melting points all lie above the critical temperatures of all, but is not applicable to such mixtures as those of lead and tungsten wherein the melting point of one lies below the critical temperature of the other.

Having thus described my invention, what I claim is:

1. The process of producing a formed metallic article which consists in compacting the finely divided metallic substance to the desired shape and size under great pressure and then heat treating the same at a temperature above the critical temperature of all its components but less than the fusing temperature of any component until the particles shall have cohered rigidly together.

2. The process of producing a formed metal article which consists in mixing together a plurality of finely divided metals all of whose melting points lie above the critical points of all, compacting the same under great pressure to the desired form of the finished article, heating the same to a temperature intermediate the lowest fusing point and the highest critical point of any of the components, and maintaining such temperature until the particles shall have cohered rigidly together.

3. The process of producing formed metal articles containing alloys of iron-group and chromium-group metals, which consists in mixing intimately together one or more iron group metals and one or more cromium group metals, compacting the same under great pressure to the finished form desired, heating the same to a temperature between about 1000° C. and 1400° C., and maintaining the article at this temperature until thoroughly coherent.

In testimony whereof, I hereunto affix my signature.

Charles L. Gebauer.

[fol. 23] DEFENDANT'S EXHIBIT No. 6

Patented Aug. 11, 1925. 1,549,615

United States Patent Office

Karl Schröter, of Lichtenberg, Near Berlin, Germany, Assignor to General Electric Company, a Corporation of New York

# Hard-metal Alloy and the Process of Making Same

No drawing. Application filed October 31, 1923. Serial No. 672,014

To all whom it may concern:

Be it known that I, Karl Schröter, a citizen of the German Realm, residing at Lichtenberg, near Berlin, Germany, have invented certain new and useful Improvements in Hard-Metal Alloys and the Processes of Making Same, of which the following is a specification.

My invention relates to hard metal alloys. More particularly, it relates to alloyed tungstic carbide which alloy is suitable for making working implements of various sorts and which is particularly suitable for making hones.

The alloy of my invention differs from known alloys primarily by consisting of a tungstic carbide with a carbon content of from 4 to 10 per cent, in combination with an auxiliary metal of a considerably lower melting point as, for instance, iron, cobalt or nickel, in quantities up to a maximum of 10 per cent. A tungstic metal thus constitutes the predominating element amounting to at least 80 per cent of the total content of the alloy. The new alloy is not inferior in respect to hardness to the known tungstic carbide alloys and is quite considerably superior to these for strength.

To make the new alloys, it is advantageous to press into a body of pulverized tungstic carbide containing from 3 to 10 per cent carbon, together with an auxiliary metal in a finely divided state and in a quantity within the limits specified, and to heat this body to sintering temperature. The effect of the auxiliary metal is to reduce the sintering point of the body to such an extent that it occurs at temperatures

which lie in the neighborhood of 1000 degrees below the melting point of the pure carbide. The foregoing method is considerably cheaper, easier and simpler than the methods used heretofore in the prior methods and a temperature of about 2500 degrees must be obtained.

Another object of my invention is that inasmuch as the body may be pressed and sintered in a manner well known, it is possible to make the body into any desired form such as is obtained only with great difficulty when other processes are used.

In making the new alloy, pulverized tungstic carbide can be used as the main material which can be produced by carburizing tungstic powder from the gas phase, or by mixing the tungstic powder with carbon. The carbon may be of soot, sugar of carbon, graphite and the like. A carbon content of 7 per cent has proved especially favorable, but it can be varied from 3 to 10 per cent.

A metal which can be reduced by hydrogen and which has a considerably lower melting point than the tungstic carbide is suitable for use as the auxiliary metal, for example, iron, cobalt or nickel. These metals may be in a finely divided form. The temperature at which the sintering occurs is affected by the quantity of the admixed auxiliary metal, which can be made as high as 10 per cent of the alloy. For instance, an admixture of 5 per cent cobalt has proved particularly favorable in which case a very hard and exceedingly compact product is produced. Instead of using a single auxiliary metal as those named in the foregoing, two or several of the auxiliary metals may be added to the tungstic powder in which case the auxiliary metals can be taken in any suitable ratio to each other, but they must not, all told, make up more than 10 per cent of the total quantity of the alloy. The sintering of the bodies, which bodies are formed for instance by hydraulic pressure, can be effected by heating them in a protective atmosphere such as an atmosphere of hydrogen, nitrogen, argon, illuminating gas, carbonic oxide, or an admixture of such gases, or the sintering can be effected by embedding the bodies in carbon, graphite and the like. Suitable sintering temperature may be found between 1500 and 1600 degrees C.

What I claim as new and desire to secure by Letters Patent of the United States, is:

1. A hard metal alloy comprising a carbide of tungsten, the carbon content of which ranges from 3 to 10% of the tungsten, said alloy having, in addition, a metal of a considerably lower melting point than the carbide, said metal forming not more than 10% of the tungsten content.

2. A hard metal alloy comprising a carbide of tungsten, the carbon content of which ranges from 3 to 10% of the tungsten, said alloy having a metal of the iron group, the latter forming not more than 10% of the tungsten content.

3. A hard metal alloy comprising a carbide of tungsten, [fol. 24] the carbon content of which ranges from 3 to 10% of the tungsten, said alloy having iron, the latter forming not more than 10% of the tungsten content.

4. The method of making an alloy of a carbide of tungsten and a metal which consists in bringing together a pulverized tungsten carbide and a quantity of finely divided metal, mixing said materials and pressing them into forms and heating the forms to sintering temperature.

5. The method of making an alloy of a carbide of tungsten and a metal which consists in bringing together a pulverized tungsten carbide, said carbide having a carbon content within the ranges of from 3 to 10%, and a quantity of finely divided metal, said metal not exceeding 10% of the tungsten constituent, mixing said materials and pressing them into forms and heating the forms to sintering temperature.

6. A hard metal alloy consisting of a mixture of tungsten carbide and a metal with a melting point considerably lower than that of the carbide, the proportions of the tungsten carbon and of the metal being respectively not more than 80% of tungsten, 10% of carbon and 10% of the metal.

In witness whereof, I have hereunto set my hand this 8th day of October, 1923.

Karl Schröter.

[fol. 25] DEFENDANTS' EXHIBIT No. 7

Patented July 16, 1929. 1,721,416

United States Patent Office

Karl Schröter, of Berlin-Lichtenberg, Germany, Assignor to General Electric Company, a Corporation of New York

# Hard-metal Composition

No drawing. Application filed April 26, 1926, Serial No. 104,613, and in Germany May 7, 1925

My present invention relates to metal compositions and more particularly to compositions comprising hard metal carbides. It is one of the objects of my invention to provide a hard metal composition of very great strength and tenacity which is particularly adaptable for use in connection with wear resisting bodies and cutting tools.

In my prior Patent No. 1,549,615 granted August 11, 1925, I have described and claimed a sintered hard metal composition formed by adding to a powdered tungsten carbide, having a carbon content of 3 to 10%, an auxiliary metal having a lower fusion point than the tungsten carbide. While the metal composition described in the above patent has numerous advantages, I have found it desirable in certain cases, and particularly in the manufacture of cutting tools and utensils, to increase the amount of auxiliary metal in the composition. By increasing the amount of auxiliary metal a product is obtained which has a somewhat lesser degree of hardness than the metal composition described in the patent but a much greater degree of toughness or tenacity. In the manufacture of the new product or material, I have found it advantageous to carburize the powdered form of the basic metal employed, such as tungsten, in the presence of the vapor of a hydrocarbon, such as methane, or the like although the carburization may be effected by mixing the tungsten powder with carbon such as soot or sugar of carbon if desired. The resulting composition, however, differs structurally from that of the prior patent mainly in the amount of auxiliary metal employed.

In making the new product, an auxiliary metal is applied to a powdered hard metal carbide, such as tungsten carbide

for example, the auxiliary metal having a sintering temperature below the melting point of the carbide. The carbide is produced by heating the tungsten powder to approximately 1000° C. in the presence of a hydrocarbon vapor, such as methane. When produced in this manner the carbide is a loosely adherent mass which may be easily broken into small pieces by hand without the employment of auxiliary mechanical means. The carbon content of the carbide will usually be substantially the same as described in the prior patent, that is from 3 to 10% of the carbide and may be so measured that tungsten mono-carbide together with some free carbon is formed. When the carbide is prepared in this manner it is possible to use a larger volume of the auxiliary metal than was employed in the prior patent. The use of additional auxiliary metal provides a metal composition which possesses a high degree of tenacity and hardness although the hardness of the present composition is slightly less than that described in my prior patent. The increased tenacity of the present composition, however, together with the high degree of hardness which is obtained makes it highly desirable for certain uses as in connection with cutting tools and various forms of utensils.

The auxiliary metals may comprise, as in the main patent, metals which have a sintering temperature lower than the melting point of the carbide, for example, iron, cobalt and nickel, and the quantity of auxiliary metal employed may constitute from 10 to 20% of the alloy, although ordinarily it will not exceed 20% if an extremely high degree of hardness is required. Cutting tools formed of the above composition are extremely hard and tough, and are capable of cutting not only the hardest known steels but also materials which generally abrade cutting tools.

The auxiliary metal may be in finely powdered form and should be pressed into the pulverized hard metal carbide, and the molded body then heated to a sintering temperature. The pressure employed depends on the shape of the finished product and may vary between 200 and 800 kg. per sq. cm. The resulting material is magnetic, and it is my opinion that the auxiliary metal acts to cement the particles of the carbide, giving strength and toughness to the finished article. As described in my prior patent the temperature at

which sintering occurs is affected by the quantity of the auxiliary metal employed but in any case the presence of the auxiliary metal reduces the sintering point of the body far below the fusion point of the carbide. For example, with 5 to 7½% cobalt, the final sintering temperature is about 1400° C. With 10% cobalt, the sintering temperature is 1380° C., and with 15% cobalt, the sintering temperature is 1340° C. The sintering temperature should be maintained more than one hour, preferably an hour and a half, [fol. 26] no matter how high the cobalt content of the composition. If desired, instead of a single auxiliary metal a plurality of such metals may be employed but the amount of such metals should not ordinarily exceed 20% of the entire quantity of the alloy.

What I claim as new and desire to secure by Letters Patent of the United States is:

1. A sintered, hard and tough, metal composition consisting mainly of a hard metal carbide and an auxiliary metal cementing particles of the carbide together, said auxiliary metal having a sintering temperature lower than the melting point of the carbide and comprising more than 10% of the resulting combination.

2. A sintered, hard and tough, composition consisting substantially of tungsten-carbide and cobalt, the cobalt forming more than 10% but not more than 20% of the total content of the composition.

3. A sintered, hard and tough, composition consisting, except for minor impurities, of tungsten, carbon and cobalt, the carbon content varying from 2.4 to 9.0%, the cobalt content being more than 10% but not more than 20% of the total content of the composition and tungsten the remainder.

4. A sintered, hard and tough, metal composition consisting mainly of a hard metal carbide but containing an auxiliary metal, said auxiliary metal forming more than 10% but not more than 20% of the total content of the composition, said composition having a sintering temperature lower than the melting point of the carbide.

5. A sintered, hard and tough, metal composition consisting of a hard metal carbide, and containing an appre-

ciable amount of cobalt, the cobalt forming more than 10% of the total content of the metal composition.

6. A sintered cutting tool, said tool consisting mainly of a hard metal carbide, and containing an appreciable amount of auxiliary metal having a sintering temperature lower than the melting point of the carbide, said auxiliary metal forming more than 10% of the total content of the cutting tool.

7. A sintered cutting tool consisting largely of a hard metal carbide, and containing an appreciable amount of cobalt, the cobalt forming more than 10% of the total content of the cutting tool.

8. A sintered cutting tool consisting largely of a carbide of tungsten and containing an appreciable amount of a metal having a lower melting point that the carbide, said metal forming more than 10% of the total content of the cutting tool.

9. A sintered, hard and tough, metal composition consisting mainly of tungsten carbide and containing more than 10% of cobalt.

10. A sintered, hard and tough, metal composition consisting mainly of a carbide of metal of the sixth group and a quantity of metal of the iron group, the metal of the iron group forming more than 10% and less than 20% of the composition.

11. A sintered, hard and tough, metal composition consisting largely of tungsten and containing cobalt and carbon, the amount of cobalt being more than 10% and less than 20% of the total content of the metal composition.

In witness whereof, I have hereunto set my hand this 12th day of April, 1926.

Karl Schröter.

[fol. 27] DEFENDANTS' EXHIBIT No. 8

Reissued Mar. 18, 1930. Re. 17,624

United States Patent Office

Karl Schröter, of Lichtenberg, Near Berlin, Germany, Assignor to General Electric Company, a Corporation of New York

# Hard-metal Alloy and the Process of Making Same

No drawing. Original No. 1,549,615, dated August 11, 1925. Serial No. 672,014, filed October 31, 1923. Application for reissue filed July 22, 1929. Serial No. 380,249

My invention relates to hard metal alloys or compositions. More particularly, it relates to alloyed tungstic carbide which alloy is suitable for making working implements of various sorts and which is particularly suitable for making hones.

The alloy of my invention differs from known alloys primarily by consisting of a tungstic carbide with a carbon content of from 3 to 10 per cent, in combination with an auxiliary metal of a considerably lower melting point as, for instance, iron, cobalt or nickel, in quantities up to a maximum of 10 per cent. A tungstic metal thus constitutes the predominating element amounting to at least 80 per cent of the total content of the alloy. The new alloy is not inferior in respect to hardness to the known tungstic carbide alloys and is quite considerably superior to these for strength.

To make the new alloys, it is advantageous to press into a body of pulverized tungstic carbide containing from 3 to 10 per cent carbon, together with an auxiliary metal in a finely divided state and in a quantity within the limits specified, and to heat this body to sintering temperature. The effect of the auxiliary metal is to reduce the sintering point of the body to such an extent that it occurs at temperatures which lie in the neighborhood of 1000 degrees below the melting point of the pure carbide. The foregoing method is considerably cheaper, easier and simpler than the

methods used heretofore wherein a temperature of about 2500 degrees must be obtained.

Another object of my invention is that inasmuch as the body may be pressed and sintered in a manner well known, it is possible to make the body into any desired form such as is obtained only with great difficulty when other processes are used.

In making the new alloy, pulverized tungstic carbide can be used as the main material which can be produced by carburizing tungstic powder from the gas phase, or by mixing the tungstic powder with carbon. The carbon may be of soot, sugar carbon, graphite and the like. A carbon content of 7 per cent has proved especially favorable, but it can be varied from 3 to 10 per cent.

A metal which can be reduced by hydrogen and which has a considerably lower melting point than the tungstic carbide is suitable for use as the auxiliary metal, for example, iron, cobalt or nickel. These metals may be in a finely divided form. The temperature at which the sintering occurs is affected by the quantity of the admixed auxiliary metal, which can be made as high as 10 per cent of the alloy. For instance, an admixture of 5 per cent cobalt has proved particularly favorable in which case a very hard and exceedingly compact product is produced. Instead of using a single auxiliary metal as those named in the foregoing, two or several of the auxiliary metals may be added to the tungstic powder in which case the auxiliary metals can be taken in any suitable ratio to each other, but they must not, all told, make up more than 10 per cent of the total quantity of the alloy. The sintering of the bodies, which bodies are formed for instance into a compact mass by hydraulic pressure can be effected by heating them in a protective atmosphere such as an atmosphere of hydrogen, nitrogen, argon, illuminating gas, carbonic oxide, or an admixture of such gases, or the sintering can be effected by embedding the bodies in carbon, graphite and the like. Suitable sintering temperature may be found between 1500 and 1600 degrees C.

When the mixed powdered tungsten carbide and auxiliary metal are heated to the sintering temperature of the mixture, the auxiliary metal, which in the mixing operation has become uniformly distributed throughout the composition,

acts to cement the minute tungsten carbide particles together. The binder thus formed in situ provides a substantially continuous matrix throughout the entire composition.

What I claim as new and desire to secure by Letters Patent of the United States is:

1. A hard metal alloy comprising a carbide of tungsten, the carbon content of which ranges from 3 to 10% of the carbide, said alloy having, in addition, a metal of a considerably lower melting point than the carbide, said metal [fol. 28] forming not more than 10% of the alloy.

2. A hard metal alloy comprising a carbide of tungsten, the carbon content of which ranges from 3 to 10% of the carbide, said alloy having a metal of the iron group, the latter forming not more than 10% of the alloy.

3. A hard metal alloy comprising a carbide of tungsten, the carbon content of which ranges from 3 to 10% of the carbide, said alloy having iron, the latter forming not more than 10% of the alloy.

4. The method of making an alloy of a carbide of tungsten and a metal which consists in bringing together a pulverized tungsten carbide and a quantity of finely divided metal having a considerably lower melting point than said carbide, mixing said materials and pressing them into forms and heating the forms to sintering temperature.

5. The method of making an alloy of a carbide of tungsten and a metal which consists in bringing together a pulverized tungsten carbide, said carbide having a carbon content within the ranges of from 3 to 10%, and a quantity of finely divided metal of the iron group, said metal not exceeding 10% of the alloy, mixing said materials and pressing them into forms and heating the forms to sintering temperature.

6. A hard metal alloy consisting of a mixture of tungsten carbide and a metal with a melting point considerably lower than that of the carbide, the proportions of the tungsten carbon and of the metal being respectively not less than 80% of tungsten, at least 2.7% but not more than 9.8% of carbon and an appreciable amount but not more than 10% of the metal.

7. A sintered hard metal composition comprising a carbide of tungsten and a metal of a considerably lower melting point than the carbide, said metal forming not more than 10% of the composition, the carbon, in said composition varying from about 2.7% to about 9.8% of said composition.

8. A sintered hard metal composition comprising tungsten carbide and a metal of the iron group, the latter forming not more than 10% of the composition, the carbon in said composition varying from about 2.7% to about 9.8% of said composition.

9. A sintered hard metal composition consisting of tungsten carbide and a metal having a melting point considerably lower than that of the carbide, said composition containing not less than 80% of tungsten, at least 2.7% but not more than 9.8% of carbon and not more than 10% of said metal.

10. A sintered hard metal composition consisting substantially entirely of tungsten-carbide and metal of the iron group, said metal of the iron group forming an appreciable amount but not more than 10% of said composition, the carbon in said composition varying from about 2.7% to about 9.8% of said composition.

11. A compact, hard, metal composition consisting of a sintered mixture of pulverized tungsten carbide and a quantity of finely divided auxiliary metal from a group consisting of cobalt, iron and nickel, said auxiliary metal forming not more than 10% of said composition, and the carbon in said composition varying from about 2.7% to 9.8%.

12. A compact, hard, metal composition consisting mainly of minute tungsten carbide particles cemented together with metal whose chief constituent comes from a group consisting of cobalt, iron and nickel, said metal forming a substantially continuous matrix throughout said composition, said metal forming not more than 10% of said composition and the carbon in said composition varying from about 2.7% to about 9.8%.

13. A compact, strong, hard, metal composition consisting substantially of tungsten carbide particles and a binder,

said binder formed in situ and having a lower melting point than said carbide, said binder forming not more than 10% of said composition and the carbon in said composition varying from about 2.7% to about 9.8%.

In witness whereof, I have hereunto set my hand this 21st day of June, 1929.

Karl Schröter.

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[fol. 29] IN UNITED STATES DISTRICT COURT

PETITION FOR APPEAL—Filed Oct. 7, 1931

The above defendants, The Marvel Rare Metals Company, The Ohio Instrument Manufacturing Company, Charles L. Gebauer, and Charles Frederick William Bates, considering themselves aggrieved by the decree of this Honorable Court filed and entered herein on the 9th day of September, 1931 dismissing defendants' counterclaim, do hereby appeal to the United States Circuit Court of Appeals for the Sixth Circuit, and pray that their appeal may be allowed and citation granted, directed to General Electric Company and Carboloy Company, Inc., plaintiffs, and each of them, commanding them to appear before the said United States Circuit Court of Appeals for the Sixth Circuit to do and receive what may appertain to justice to be done in the premises, and that a transcript of the pleadings, proofs, exhibits, records, opinion, decree, and procedures in said cause duly authenticated, may be sent to the United States Circuit Court of Appeals for the Sixth Circuit.

Harold Elno Smith, Attorney for Defendants.

Cleveland, Ohio, October 7, 1931.

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[fol. 30] IN UNITED STATES DISTRICT COURT

ASSIGNMENT OF ERRORS—Filed Oct. 7, 1931

Now come The Marvel Rare Metals Company; The Ohio Instrument Manufacturing Company; Charles L. Gebauer; and Charles Frederick William Bates, appellants, and in

connection with their Petition for Appeal file this their Assignment of Errors:

1. The District Court erred in dismissing defendants' counterclaim;

2. The District Court erred in not finding and holding that the cause of action set forth in defendants' counterclaim arises out of the transaction which is the subject matter of the suit and is hence specifically required to be set up in defendants' answer in accordance with Equity Rule 30;

3. The District Court erred in not finding and holding that this suit and counterclaim is essentially one for "interfering patents" under R. S. 4918, (U. S. Code, Title 35, Sec. 66) and that the defendants' counterclaim is designed chiefly to enable the Court to afford afirmative action in behalf of the defendants in case it shall appear that the negative relief provable under the defendants' answer constitute less than complete justice to the defendants;

4. The District Court erred in not ordering this cause set for trial on bill, answer, counterclaim, and proofs.

Harold Elno Smith, Attorney for Defendants.

Cleveland, Ohio, October 7, 1931.

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[fols. 31 & 32] IN UNITED STATES DISTRICT COURT

ORDER ALLOWING APPEAL—Entered Oct. 7, 1931, by Paul Jones, Judge

This cause having come before me on the Petition for Appeal by the defendants in the above entitled cause, it is hereby ordered that the appeal be allowed as prayed for, and that defendants file a proper bond in the sum of $500.00, with securities satisfactory to this Court, to assure the payment of costs in case this appeal be not prosecuted to success by the said defendants.

Cleveland, Ohio, October 7th, 1931.

5—57

Bond on appeal for $500.00, approved and filed October 7, 1931, omitted in printing.

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[fols. 33 & 34] Citation, in usual form, showing service on Squire, Sanders & Dempsey, omitted in printing.

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[fol. 35] In United States District Court

Præcipe for Transcript—Filed Oct. 7, 1931

Hon. Fred J. Denzler, clerk:

You are requested to make a transcript of record to be filed in the United States Circuit Court of Appeals for the Sixth Circuit, pursuant to an appeal allowed in the above entitled cause, and to include in such transcript of record the following and no other papers or exhibits, to-wit:

Bill of Complaint.
Answer.
Defendants' Exhibit No. 1, Patent No. 1,359,353.
Defendants' Exhibit No. 6, Patent No. 1,549,615.
Defendants' Exhibit No. 7, Patent No. 1,721,416.
Defendants' Exhibit No. 8, Patent No. Re. 17,624.
Plaintiffs' motion to dismiss counterclaim.
Defendants' motion to amend answer.
Opinion of Court. (None.)
Order dismissing counterclaim and allowing amendment.
Petition for appeal.
Assignment of errors.
Order allowing appeal.
Appeal bond.
Citation and proof of service thereof.
This Præcipe.
Stipulation re certification of record.
Certificate of Clerk.

Yours very truly, Harold Elno Smith, Attorney for Defendants.

Approved on condition that the same is without waiver of the appellees' right to move for a dismissal of the appeal.

Squire, Sanders & Dempsey, Attorneys for Appellees.

[fol. 36] IN UNITED STATES DISTRICT COURT

ORDER EXTENDING TIME FOR FILING TRANSCRIPT OF RECORD IN UNITED STATES CIRCUIT COURT OF APPEALS—Entered November 6, 1931, by Paul Jones, Judge

Upon application made and for good cause shown, it is ordered that the time for filing the transcript of record in the above entitled cause in the United States Circuit Court of Appeals for the Sixth Circuit be extended from November 6, 1931 to December 1, 1931.

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IN UNITED STATES DISTRICT COURT

STIPULATION RE CERTIFICATION OF RECORD—Filed Nov. 21, 1931

In accordance with Section 6 of Rule 44 of the general rules of this Court, it is hereby agreed that the record as presented to the Clerk by the printer, may be certified by the Clerk as required by law and the rules of the Appellate Court, as a true, full and complete copy of the original pleadings, papers and orders used on the trial of this cause, as set forth in the pr-ecipe for transcript, without further comparison by the Clerk, on condition that the same is without waiver of the appellees' right to move for a dismissal of the appeal.

Harold Elno Smith, Attorney for Defendants-Appellants. Squire, Sanders & Dempsey, Attorneys for Plaintiffs-Appellees.

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[fols. 37 & 38] Clerk's certificate to foregoing transcript omitted in printing.

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[fol. 39] IN UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SIXTH CIRCUIT

MOTION TO DISMISS AND NOTICE—Filed December 17, 1931

SIR: Please take notice that the annexed motion to dismiss the appeal in the above entitled cause will be brought on for hearing before the United States Circuit Court of Appeals, for the Sixth Circuit, at the Court House, Federal

Building, Cincinnati, Ohio, on January 5, 1932, at the opening of court, or as soon thereafter as counsel can be heard.

Oral argument is requested.

Watson, Bristol, Johnson & Leavenworth, Lawrence Bristol, Squire, Sanders & Dempsey, Counsel for Appellees.

To Harold Elno Smith, Esquire, Counsel for Appellants.

Service of a copy of the foregoing Notice of Hearing and Motion annexed is acknowledged this 16 day of December, 1931.

Harold Elno Smith, Counsel for Appellants.

Now come the appellees in the above entitled cause, by their counsel, and move that the appeal herein be dismissed on the ground that the order of the District Court dismiss-[fol. 40] ing the counterclaim, filed by the defendants in the court below, is not appealable until after the entry of the final decree in the case.

Watson, Bristol, Johnson, & Leavenworth, Lawrence Bristol, Squire, Sanders & Dempsey, Counsel for Appellees.

Dated at Cleveland, Ohio, this 16th day of December, 1931.

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IN UNITED STATES CIRCUIT COURT OF APPEALS

PROTEST AGAINST ORAL ARGUMENT ON MOTION TO DISMISS—Filed December 22, 1931

To the Honorable the Judges of the United States Circuit Court of Appeals for the Sixth Circuit:

Counsel for the appellees have given notice of a motion to be brought on for hearing on January 5, 1932 to dismiss the appeal in the above entitled cause and that they have requested the privilege of oral argument thereon. The appellants respectfully submit that apparently no peculiar condition exists in this case rendering oral argument any more necessary here than in other cases, and that no reason

exists for diverging from the established practice of the Court in this respect, as set forth in Rule 24. If for any reason the Court desires to hear orally from the appellants' counsel, he will be very glad indeed to comply with the Court's desire; but so far as the merits of the situation are concerned there would seem to be nothing that cannot perfectly well be submitted on paper, with a substantial saving in the time of the Court, and with substantial economy in expense to the appellants who, unfortunately, have only comparatively slender financial resources.

Very respectfully, by Harold Elno Smith, Counsel for Appellants.

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[fol. 41] IN UNITED STATES CIRCUIT COURT OF APPEALS

CAUSE SUBMITTED ON MOTION TO DISMISS—Feb. 3, 1932

Before Hicks, Hickenlooper, and Simons, JJ.

This cause is submitted on motion to dismiss without oral argument.

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IN UNITED STATES CIRCUIT COURT OF APPEALS

DECREE—Filed March 11, 1932

Appeal from the District Court of the United States for the Northern District of Ohio

This cause came on to be heard on the transcript of the record from the District Court of the United States for the Northern District of Ohio.

On consideration whereof, it is now here ordered, adjudged and decreed by this Court that the motion to dismiss be denied, and the order of the District Court dismissing the counterclaim be reversed and this cause remanded.

IN UNITED STATES CIRCUIT COURT OF APPEALS

OPINION—Filed March 11, 1932

Before Hicks, Hickenlooper, and Simons, Circuit Judges

Per CURIAM:

The General Electric Company and the Carboloy Co., Inc., having brought their bill against The Marvel Rare Metals Company and others for patent infringement, the defendants filed an answer and counterclaim, alleging in the counter aim that complainants were infringing certain [fol. 42] letters patent theretofore issued to, and then owned by, Charles L. Gebauer, one of the defendants, "subject only to an exclusive oral license from Charles L. Gebauer unto The Marvel Rare Metals Company, defendant, and The Ohio Instrument Manufacturing Company, defendant." On motion of the complainants the court below dismissed the counterclaim as not germane to the cause of action set forth in the bill of complaint. The defendants appealed. Appellees move to dismiss the appeal.

In No. 6074 the situation is therefore identical with that confronting the court in Naivette, Inc. v. The Philad Co., 54 F. (2d) 623, and no sound reason has been presented why the court should not follow the same course as was there pursued. The motion to dismiss is therefore denied, the order of the District Court dismissing the counterclaim is reversed, and said cause is remanded to permit all issues to be disposed of in the original proceeding. Compare, Leman, et al. v. Krentler-Arnold Hinge Last Co., — U. S. — (Decided Feb. 15, 1932).

No. 6075 is an application by The Marvel Rare Metals Company and its co-defendants for a writ of prohibition to stay hearing upon the bill of complaint in the infringement action pending disposition by this court of the appeal therein (No. 6074). No action has been taken by the District Court since the filing of such petition for writ of prohibition, and the court having now disposed of appeal No. 6074, and having remanded the cause for the purpose above set forth, the decision of the issues raised by the petition for writ of prohibition is unnecessary. The questions dis-

cussed having, in a very true sense, become moot, the petition is dismissed.

No. 6074, reversed and remanded.

No. 6075, dismissed.

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[fol. 43] [File endorsement omitted]

IN UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SIXTH CIRCUIT

No. 6074

THE MARVEL RARE METALS COMPANY et al., Appellants,

v.

GENERAL ELECTRIC COMPANY et al., Appellees

PETITION FOR REHEARING—Filed April 1, 1932

To the Honorable Judges of the United States Circuit Court of Appeals for the Sixth Circuit:

Your petitioners, General Electric Company and Carboloy Company, Inc., deeming themselves aggrieved by the judgment and opinion of this court filed in the above-entitled cause on March 11, 1932, respectfully pray for a rehearing, or more properly a hearing so far as the decision purports to reverse the order of the District Court dismissing the counterclaim and remand the cause to permit all issues to be disposed of in the original proceeding.

The grounds of this petition are as follows:

1. The court has decided the appeal without having received briefs or oral argument on the merits either from the appellants or from the appellees. The court had before it only a motion to dismiss the appeal, and its opinion is not confined to the disposition of that motion.

[fol. 44] 2. The case of Naivette, Inc. v. The Philad Company, 54 F. (2d) 623, 624, which the court erroneously says is identical with the present case, and which it purports to follow, did not present and could not present the point of law upon which the determination of the present appeal

depends; and therefore affords no precedent for reversing the order of the District Court from which the present appeal has been prosecuted.

3. This court's statement, that the court below dismissed the counterclaim as not germane to the cause of action set forth in the bill of complaint, must be based on a misunderstanding as it is unsupported by the record and is contrary to the record.

A memorandum in support of this petition is appended hereto.

General Electric Company and Carboloy Company, Inc., by Watson, Bristol, Johnson & Leavenworth, Lawrence Bristol, Counsel.

Certificate of Counsel

I, Lawrence Bristol, of counsel for the above-named General Electric Company and Carboloy Company, Inc., do hereby certify that the foregoing petition for a rehearing of this cause is presented in good faith and not for delay.

Lawrence Bristol.

[fol. 45] Memorandum in Support of Petition for Rehearing

In form the present application is a petition for rehearing of the decision and opinion of this court filed March 11, 1932, in No. 6074. In fact it is also a petition for a hearing.

I

The court had before it for disposition in No. 6074 a motion to dismiss the appeal and nothing else. In denying that motion this court reached a result exactly contrary to that reached by the Circuit Court of Appeals for the Second Circuit in Allied Metal Stamping Co., Inc. v. Standard Electric Equipment Corporation, 55 F. (2d) 221, decided January 14, 1932. The lack of any mention of the Second Circuit case in this court's opinion prompts us to suggest that it may have been overlooked, and that this court may wish to set forth its reasoning in arriving at the opposite result, for the benefit, not only of the litigants, but of the Second Circuit, and of the Supreme Court if the case should be taken up on writ of certiorari.

No briefs on the merits of the appeal have been filed either by appellants or appellees. No oral argument has been had. Yet the court has proceeded to dispose of the motion to dismiss the appeal and has then gone on summarily to reverse the order appealed from. In doing so it has placed its principal reliance upon the case of Naivette Inc. v. The Philad Co., 54 F. (2d) 623, 624, stating that that case is identical with the instant case, whereas in fact that case did not present and could not present the point of law which is involved in the present appeal.

Such procedure in summarily reversing without giving any opportunity to present briefs and argument and with-
[fol. 46] out consideration of arguments which might be presented in briefs on the merits, is, we submit with the utmost deference, contrary to customary usages, and inconsistent with the rules of this court.

In compliance with Rule 24 of this court the appellees filed a motion to dismiss the appeal and submitted a brief in support of that motion. The appellants submitted a brief in opposition, and appellees a reply brief. Under date of January 12, 1932, the clerk advised counsel for both sides that the court would take the motion to dismiss on February 2nd on typewritten briefs without oral argument.

None of the steps provided for by other rules of this court in connection with briefs and hearing on the merits of the appeal has as yet been taken by either side.

Rule 20 of this court provides that counsel for the appellant shall file a printed brief within twenty-five days after the filing of the printed record, and shall also file proof of service upon adverse counsel. No such brief has been filed or served. The rule provides, also, that within thirty days after service of appellant's brief, counsel for appellee shall file a printed brief with proof of service. No such brief has been filed or served. Further, the rule provides that when an appellant is in default in filing a brief, a case may be dismissed on motion or further time may be granted; and when an appellee is in default the appellant may move for summary judgment of reversal. No such motion has been made by either side.

Rule 22 of this court provides that when a case is called for hearing, if there is no appearance for either party the

case will be dismissed. The case has not been called for hearing.

Rule 23 of this court provides that cases will not be taken upon briefs without oral argument except by permission of [fol. 47] the court on special application made before the case is reached. There have been neither briefs nor oral argument on this appeal nor special application or permission to submit on briefs.

In view of the fact that there have been no briefs and no hearing on the merits of the appeal, we ask that this court grant a rehearing of its decision, or more properly speaking, a hearing.

II

Naivette, Inc. v. The Philad Co., 54 F. (2d) 624, does not present and could not present the point involved in the present appeal. In that case the bill of complaint alleged that both plaintiffs were Ohio corporations having their principal places of business at Cleveland, Ohio. (Record in No. 5794, p. 2.) They brought their suit in the District Court for the Northern District of Ohio, Eastern Division, within which Cleveland is situated. The defendant asserted a counterclaim asking for injunctive relief. The plaintiffs did not and could not object to the Northern District of Ohio as the proper venue, for that was the very District prescribed by statute (Tit. 28 U. S. Code §41, §109, §112) in which any independent suit in equity could be maintained against them.

In the instant case, however, the bill of complaint alleges that the plaintiffs are New York corporations having their principal offices and places of business at Schenectady and New York City respectively. The answer and counterclaim, even as amended, add nothing to these allegations. The counterclaim does not allege that the plaintiffs or either of them are inhabitants of the Northern District of Ohio or [fol. 48] have committed acts of infringement therein and have regular and established places of business therein. In any independent suit in equity for patent infringement such allegations and proof are essential to maintenance of the suit if objection to the jurisdiction (venue) is made.

"Title 28 U. S. Code, §109. In suits brought for the infringement of letters patent the district courts of the United States shall have jurisdiction, in law or in equity, in the dis-

trict of which the defendant is an inhabitant, or in any district in which the defendant, whether a person, partnership, or corporation, shall have committed acts of infringement and have a regular and established place of business."

See also Tyler Co. v. Ludlow-Saylor Wire Co., 236 U. S. 723; Robertson v. Railroad Labor Board, 268 U. S. 619. Such is the statutory right of any person sued for patent infringement. In the instant case the plaintiffs made timely objection to the jurisdiction (venue) as to defendant's counterclaim (Record, p. 15) and the District Court sustained the objection.

The question presented by this appeal is whether the provisions of Equity Rule 30 concerning counterclaims are so sweeping as to deprive a plaintiff, by the very fact of his bringing a suit for patent infringement, of his statutory right to object to the jurisdiction (venue) as to an independent suit in equity against him for infringement of a different patent. If they are so broad, they are beyond the rule-making power as conferring on the District Courts jurisdiction which they do not have by statute.

The Federal Equity Rules were promulgated by the Supreme Court under the authority conferred by §§913 and 917 of the Revised Statutes (Title 28, U. S. Code, §§723, [fol. 49] 730), and the Supreme Court's rule-making power was expressly limited to matters "not inconsistent with any law of the United States". To interpret Equity Rule 30 so as to make it confer jurisdiction on a District Court which has no jurisdiction under the provisions of the statute is to make it void. See the analogous case on the Admiralty Rules, Ex Parte Phenix Insurance Co., 118 U. S. 610 at 619-625. See also American Falls Milling Co. v. Standard Brokerage & Distributing Co., 248 Fed. 487 (8th C. C. A.) on the interpretation of Equity Rule 23.

This point was not and could not have been presented in Naivette v. Philad, and so could not have been decided. The plaintiffs there had no right to object to the jurisdiction (venue) because the suit itself was brought in the district of which they were inhabitants, and in which an independent suit in equity could be maintained against them under the statute.

Until Durabilt Steel Locker Co. v. Berger Mfg. Co., 21 F. (2d) 139, decided by Judge Westenhaver in 1927, is over-

ruled it stands as an authority squarely in support of the order appealed from. This court should not reach an exactly contrary result without a hearing and without any expression of its reasons.

The question presented by the present appeal has not been decided by the Supreme Court. In the case of Leman v. Krentler-Arnold Hinge Last Co., — U. S. — (decided February 15, 1932), the plaintiff in the District Court had waived its objection to the jurisdiction (venue) by going to trial on the merits of the bill and the counterclaim and waiting until seven months thereafter to raise any objection. See Krentler-Arnold Hinge Last Co. v. Leman, 13 F. (2d) 796, at 801, 802. In the case of Frank L. Young Co. v. McNeal-Edwards Co., 283 Fed. 298, cited in the Leman case, jurisdiction depended on the provisions of a Massachusetts statute and not upon a rule of court.

[fol. 50] III

The grounds of the motion in the court below to dismiss the counterclaim were (1) lack of jurisdiction, (2) misjoinder of parties, and (3) insufficiency to state a cause of action (Rec., pp. 15, 16). The second and third grounds were substantially eliminated as the result of defendants' amendment to their counterclaim (Rec., pp. 16, 17). There was no opinion, and the order appealed from merely sustained the motion without specifying the ground (Rec., p. 18). We regard it as made on the ground of lack of jurisdiction, and shall hope to sustain it on that ground when we are afforded a hearing.

The statement of this court that "the court below dismissed the counterclaim as not germane to the cause of action set forth in the bill of complaint" is unsupported by and contrary to the record. When this court made this statement the basis of the further statement, that "the situation [here] is identical with that confronting the court in Naivette, Inc. v. The Philad Co., 54 F. (2d) 623 [624]", and reversed the order appealed from it in effect rewrote Equity Rule 30.

The word "germane" does not appear in Equity Rule 30 at all; nor does the word "germane" accurately paraphrase the language of that rule. That rule expressly defines two classes of counterclaims. The first comprises "any counterclaim arising out of the transaction which is the subject-

matter of the suit", and such counterclaims must be set up in the answer. The second comprises any "counterclaim against the plaintiff which might be the subject of an independent suit in equity against him", and such counterclaims may be set up in the answer.

The question is not whether a particular counterclaim is "germane" to the cause of action set forth in the bill of complaint, though we think that in the Naivette case this [fol. 51] court may have intended to infer that any counterclaim which is "germane" is included within the broad interpretation of the words "arising out of the transaction which is the subject-matter of the suit." But to apply the word "germane" to the counterclaim here involved is illogical. The transaction which is the subject-matter of the suit is the infringement of plaintiffs' patents by the defendants. The counterclaim involves the alleged infringement by the plaintiffs of a different patent. The subject-matter of the counterclaim, it is conceded, might be the subject of an independent suit in equity in the New York District Court or in some other district where it can be alleged that the plaintiffs "have committed acts of infringement and have a regular and established place of business"; but it cannot be the subject of an independent suit in equity in the Northern District of Ohio, against plaintiffs' objection to the jurisdiction of that court. Stated otherwise, the defendants "may" set up as a counterclaim any equitable cause of action which might be the subject of an independent suit in equity in the district in which the original suit was brought, whether the counterclaim is "germane" to the cause of action set forth in the bill of complaint or not. But they cannot, over plaintiffs' objection to the jurisdiction, maintain a counterclaim for a cause of action which they could not prosecute as an independent suit in the district in which the original suit was brought. This construction makes Equity Rule 30 consistent with the statute; the other construction makes it inconsistent with the statute.

These and other points will be fully developed in the brief which will be filed and the argument which will be presented for the appellees if the court grants the accom- [fol. 52] panying petition and affords them, in accordance with customary practice and the rules of this court, an op-

portunity to be heard in support of the order of the District Court from which this appeal was taken.

Respectfully submitted.

Watson, Bristol, Johnson & Leavenworth, Lawrence Bristol, Counsel for General Electric Co. and Carboloy Company, Inc.

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[fol. 53] In United States Circuit Court of Appeals

Order Denying Rehearing—Filed April 14, 1932

The petition for rehearing of this cause is hereby denied.

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In United States Circuit Court of Appeals

Memorandum on Petition for Rehearing—Filed April 14, 1932

Counsel for appellees complain that the court, in passing upon motion to dismiss the appeal, proceeded to dispose of said appeal upon the merits without giving to counsel an opportunity to be heard or to submit briefs and without giving consideration to the fact that a question of venue is raised in the present case which did not appear in the case of Naivette, Inc. v. Philad Co., 54 F. (2d) 624.

Counsel apparently forget that the court discussed the case with them at length, in chambers, and explained in detail that no question of jurisdiction was raised and that objections to the venue of the court might be waived, and were waived, in our opinion, by the institution of suit. Since that conference the Supreme Court has rendered its decision in the case of Leman v. Krentler-Arnold Hinge Last Co., 284 U. S., where it is said:

"When the respondent brought suit in the federal district court for the District of Massachusetts, it submitted itself to the jurisdiction of the court with respect to all the issues embraced in the suit, including those pertaining to the counterclaim of the defendants, petitioners here. Equity Rule 30."

See also Young Co. v. McNeal-Edwards Co., 283 U. S. 398, 400 quoting Professor Langdell; and Chicago & N. W. Ry. v. Lindell, 281 U. S. 14, 17, speaking of the contrary doctrine as "pernicious" and citing early Supreme Court cases. The principle adduced from these decisions is that where the court has jurisdiction, venue is waived in respect of all [fol. 54] counterclaims permissible under Equity Rule 30, and, as explained in American Mills Co. v. American Surety Co., 260 U. S. 360, the defendant in an action in equity may, without cross-bill, set out any set-off or counterclaim against the plaintiff which might be the subject of an independent suit in equity against him, whether such set-off or counterclaim grows out of the subject-matter of the bill or not. In this manner all equitable issues capable of trial between the parties may be settled in one proceeding, even though they are not related, and venue of the court is attributable to the act of plaintiff in the filing of his original bill.

The doctrine announced in Durabilt Steel Locker Co. v. Berger Mfg. Co., 21 F. (2d) 139 (D. C. N. D. O.) is disapproved. This being the already announced position of this court, no good reason is suggested why final disposition of all issues between the parties in the District Court should be further delayed by the extension of time for filing briefs or presenting oral argument.

It is therefore ordered, that the petition for rehearing herein be and the same is hereby denied.

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Clerk's certificate to foregoing transcript omitted in printing.

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[fol. 55] SUPREME COURT OF THE UNITED STATES

ORDER ALLOWING CERTIORARI—Filed May 31, 1932

The petition herein for a writ of certiorari to the United States Circuit Court of Appeals for the Sixth Circuit is granted. And it is further ordered that the duly certified copy of the transcript of the proceedings below which ac-

companied the petition shall be treated as though filed in response to such writ.

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Endorsed on cover: File No. 36,736. U. S. Circuit Court of Appeals, Sixth Circuit. Term No. 57. General Electric Company and Carboloy Company, Inc., petitioners, vs. The Marvel Rare Metals Company, The Ohio Instrument Manufacturing Company, Charles L. Gebauer, et al. Petition for a writ of certiorari and exhibit thereto. Filed May 7, 1932. File No. 36,736.